

FINANCIAL STATEMENTS

RESPECTING THE

GRAND TRUNK PACIFIC RAILWAY COMPANY

PRINTED BY ORDER OF PARLIAMENT.



OTTAWA

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1916.

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GRAND TRUNK RAILWAY COMPANY OF CANADA.

LONDON, E.C., 10th December, 1915.

SIR,—I have brought before the Board the result of my conversations with you and some of your colleagues during my recent visit to Canada, as to the financial position of the Grand Trunk and Grand Trunk Pacific Companies from the 1st January next.

I told my colleagues that at the interview I had with you on November 25th I disclosed to you very frankly the situation with which the Grand Trunk and Grand Trunk Pacific Companies would be confronted in the immediate future. I also told them that after full consideration, and with the deepest regret I had proposed to you, as the only safe solution of our difficulties, that the Government should take over the Grand Trunk Pacific Railway as from the 1st January next, with all its branch lines, together with its Development Company, and other subsidiary companies, with all the assets, the Grand Trunk Railway Company to surrender to the Government the whole of the Common Stock of the Grand Trunk Pacific Railway Company on condition of the Government relieving the Grand Trunk Railway Company of all liabilities in respect of the Grand Trunk Pacific Railway Company, its branch lines, its Development Company, and other subsidiary companies, and repaying to the Grand Trunk Railway Company any money advanced by the Grand Trunk Railway Company to the Grand Trunk Pacific Railway Company, or its branch lines, and Development Company, and other subsidiary companies. In the course of conversation, as an alternative, you suggested that the Government might advance by way of loan sufficient money to supply any deficiency in the amount required to meet the fixed charges of the Grand Trunk Pacific Railway for a period of, say, five years, anticipating that at the expiration of that period the net earnings would be sufficient for that purpose. I replied that under present circumstances I did not think the Grand Trunk Railway Company would be justified in entering into any arrangement which would involve the accumulation of further liabilities against that company's revenue. I considered that any such arrangement involving such increased liabilities would so handicap the Company's necessary power of financing as to render it unable to fulfil the ever-increasing demands of the public and public bodies—demands which could not possibly be met unless the credit of the Grand Trunk Railway Company was so maintained as to render possible the raising of fresh capital as required.

My colleagues agree with the views I expressed to you, and with the offer I made to you as described above, and which I now repeat with their concurrence.

The liabilities of the Grand Trunk Pacific Railway Company will begin to accumulate as from the 1st January next against net revenue, and any deficiencies will have to be met by the Government and the Grand Trunk Railway Company. Under present circumstances it is quite impossible for the Grand Trunk Railway Company to meet the extra liabilities arising from the Grand Trunk Pacific Railway.

The amount of interest guaranteed by the Grand Trunk Company is about \$2,750,000 annually, to which must be added the interest on the amount spent on branch lines, over and above the amount for which bonds have been, or will be, guaranteed by the Provincial Governments. It is expected that the Provincial Governments will issue additional bonds to cover some of this amount, leaving probably about \$8,000,000 due to the Grand Trunk Railway Company. The amount of interest guaranteed by the Government, including that on the Government loan of \$25,000,000,

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amounts to about \$4,000,000 per annum. In any case the Government would have to find interest charges to the amount of \$4,000,000 which amount, however, includes \$1,700,000 which the Government has to pay on the Mountain Section Bonds.

We have done our utmost to meet the heavy financing which has been necessary, and the difficulty of which has been immensely increased by the disastrous war conditions. We are now "at the end of our tether" with regard to Grand Trunk Pacific financing.

The first Grand Trunk Pacific payments for interest after the 1st January next will become due on the 1st March, and amount to just under \$1,000,000, and there is no prospect of our being able to meet that payment.

It is an inexpressibly bitter disappointment to the Board and myself to have to think of giving up the Grand Trunk Pacific Railway, but the Board feel it is their first duty to make every sacrifice to save the numerous present investors in England, who, in perfect good faith, have contributed the many millions which have built the Grand Trunk Pacific Railway, at the very moderate rate of interest of a little over 4 per cent.

If the Government accept the proposition of the Board, I feel confident that whatever the liability the Government may assume will be amply repaid in a few years by the increased traffic arising from the development of the North West, and the bringing of new land under cultivation. What that development may mean is foreshadowed in the amount of the record crop just gathered in the North West, the production of wheat alone being 320,000,000 bushels, as against only 140,000,000 bushels in 1914; with other crops showing considerable increase in yields. The Board feel that they may be severely criticised in a few years for parting with the property, and nothing but the necessity of saving the money which the present investors have put into the property would have induced them to do so. The deficit of the next few years, at a time of unprecedented strain owing to the terrible war in Europe, is the danger to be avoided, but an amount of deficit which is impossible for a company to finance is quite possible for a nation.

The railway situation in Canada is a serious one, and any default on the part of the Grand Trunk Pacific Railway Company might lead to grave consequences as to the general financial position in Canada. The Board believe this danger will pass away if the Government accept their proposal, thus saving the general situation, and enabling the Grand Trunk Railway Company, as I have already explained, to fulfil its duty to the public.

I beg you to remember that the Grand Trunk Pacific Railway has been built through a most difficult country, at a cost which is moderate considering the high character of the work, and the satisfactory low grade maintained in crossing the mountains, and it must be also remembered that all the work has been done under the supervision of the Government Engineer, and all expenditure has been audited by the Government Auditors.

Mr. Chamberlin will supply you with full particulars and explanations of the accounts existing between the Grand Trunk Railway Company and the Grand Trunk Pacific Railway Company, its branch lines, and subsidiary companies, and will be happy to furnish you with any further information you may require.

I again express the deep regret of the Board at being compelled to make the offer contained in this letter, but the circumstances over which we have no control are too strong for us to withstand.

I have the honour to be,

Your obedient servant,

(Sgd) ALFRED W. SMITHERS,

Chairman.

The Rt. Hon. Sir R. L. BORDEN, P.C., G.C.M.G.,
Ottawa

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GRAND TRUNK PACIFIC RAILWAY AND GRAND TRUNK PACIFIC BRANCH LINES.

STATEMENT showing Bonds, etc., authorized, issued and outstanding and net proceeds therefrom, also Interest payable for the years 1916 and 1917 (as from Feb. 29th, 1916).

Grand Trunk Pacific Railway.	Authorized.	Par Value Issued and Outstanding.	Net Proceeds.	Interest payable 1916.		Interest Payable 1917.	Total Interest Payable 1916-1917.
					\$ c.	\$ c.	\$ c.
1st Mortgage 3% Bonds due Jan. 1, 1962	68,040,000 00	68,040,000 00	68,040,000 00	Due Jan.-July.....	1,020,600 00	2,044,200 00	3,061,800 00
4% Bonds Series A due April 1, 1955	10,206,000 00	10,206,000 00	9,601,926 30	" April-Oct.....	408,240 00	408,240 00	816,480 00
4% Bonds Series A due April 1, 1955	9,963,000 00	9,963,000 00	9,016,297 11	" April-Oct.....	398,520 00	398,520 00	797,040 00
4% Bonds Lake Superior due April 1, 1955	7,533,000 00	7,533,000 00	7,116,692 40	" April-Oct.....	301,320 00	301,320 00	602,640 00
4% Debenture Stock, Perpetual	50,000,000 00	34,879,252 86	31,411,985 96	" Mar.-Sept.....	1,395,170 12	1,395,170 12	2,790,340 24
4% Debenture due July 1, 1923	15,000,000 00	15,000,000 00	15,000,000 00	" Jan.-July.....	300,000 00	600,000 00	900,000 00
4% Bonds due April 1, 1919	10,000,000 00	10,000,000 00	10,000,000 00	" April-Oct.....	400,000 00	400,000 00	800,000 00
4% Sterling Bonds due Jan. 1, 1962	15,940,800 00	8,440,848 00	6,727,249 80	" Jan.-July.....	168,816 96	337,633 92	506,450 88
Loan from Dominion Government	6,000,000 00	6,000,000 00	6,000,000 00	" May-Nov.....	300,000 00	300,000 00	600,000 00
5% Secured Notes due March 2, 1921	9,720,000 00	9,720,000 00	9,095,512 05	" Mar.-Sept.....	486,000 00	486,000 00	972,000 00
	202,402,800 00	179,782,100 86	172,009,663 62		5,178,667 08	6,668,084 04	11,846,751 12
Grand Trunk Pacific Branch Lines.							
Alberta Branches due Feb. 25, 1939	3,022,500 00	2,430,000 00	12,688,844 07	Due May-Nov.....	97,200 00	97,200 00	194,400 00
Alberta Coal Branch due Feb. 15, 1942	1,159,596 00	1,159,596 00		" May-Nov.....	46,383 84	46,383 84	92,767 68
Saskatchewan Branches due Jan. 22, 1939	10,980,600 00	9,879,408 00		" May-Nov.....	395,176 32	395,176 32	790,352 64
Saskatchewan Terminals	2,150,000 00						
Saskatchewan Bridges	1,300,000 00						
	18,612,696 00	13,469,004 00	12,688,844 07		538,760 16	538,760 16	1,077,520 32
Total Main Line Branches	221,015,496 00	193,251,104 86	184,698,507 69		5,717,427 24	7,206,844 20	12,924,271 44

Montreal, April 28, 1916.

Sgd. W. H. ARDLEY,
Comptroller.

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GRAND TRUNK PACIFIC RAILWAY COMPANY, AND

SCHEDULE of Outstanding Bonds, Debentures,

Company.	DATE OF		INTEREST.		AMOUNT ISSUED.	
	Issue.	Maturity.	Rate.	Due.	£.	\$ cts.
<i>Lake Superior Branch—</i>						
First Mortgage.....	Mar. 15, 1905	April 1, 1955	4	April Oct...	1,550,000	7,533,000 00
<i>Prairie Division—</i>						
First Mortgage.....	July 1, 1905	Jan. 1, 1962	3	Jan., July...	2,648,000	12,869,280 00
"A" Bonds.....	Mar. 15, 1905	April 1, 1955	4	April, Oct..	2,100,000	10,206,000 00
Loan from Dom. Gov- ernment.....	May 22, 1909	April 1, 1919	4	April, Oct..		10,000,000 00
Debentures (\$15,000,000 Loan).....	Aug. 6, 1913	July 1, 1923	4	Jan., July...		5,692,436 84
<i>Mountain Division—</i>						
First Mortgage.....	July 1, 1905	Jan. 1, 1962	3	Jan., July...	11,352,000	55,170,720 00
"B" Bonds.....	Mar. 15, 1905	April 1, 1955	4	Apr 1, Oct..	2,050,000	9,963,000 00
Debentures (\$15,000,000 Loan).....	Aug. 6, 1913	July 1, 1923	4	Jan., July...	655,600	9,307,563 16
Sterling Bonds.....	July 1, 1914	Jan. 1, 1962	4	Jan., July...	1,081,200	3,186,216 00
						5,254,632 00
Loan from Dom. Gov- ernment.....	Sept., Oct.... Nov., Dec.... 1914.....	May 1, 1915	5	May, Nov..		6,000,000 00
Secured Notes.....	Mar. 2, 1914	Mar. 2, 1921	5	Mar., Sept..	2,000,000	9,720,000 00
Debenture Stock.....	Mar. 1, 1907	Perpetual.....	4	Mar., Sept..	7,176,801	34,879,252 86
<i>Branch Lines—</i>						
Saskatchewan.....	June 24, 1909 " 30, 1910 July 31, 1912	Jan. 22, 1939	4	May, Nov..	2,032,800	9,879,408 00
Alberta.....	July 28, 1909 July 31, 1912	Feb. 25, 1939 Feb. 15, 1942	4 4	May, Nov.. May, Nov..	500,000 238,600	2,430,000 00 1,159,596 00

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GRAND TRUNK PACIFIC BRANCH LINES COMPANY.

Loans and Notes, January 1, 1916.

Amount.	Outstanding	Annual Interest.		Guaranteed by.	Trustee.
		£	\$ cts.		
1,550,000	7,533,000 00	62,000	301,320 00	Grand Trunk Ry. Co. of Can	National Trust Co., Ltd., Montreal, P.Q.
2,648,000	12,869,280 00	79,440	386,078 40	Dominion Government.....	Royal Trust Co., Montreal.
2,100,000	10,206,000 00	84,000	408,240 00	Grand Trunk Ry.Co. of Can.	National Trust Co., Ltd., Montreal, P.Q.
	10,000,000 00	.....	400,000 00	" " "	Royal Trust Co., Montreal.
.....	5,692,436 84	.....	227,697 48	" " "	.....
11,352,000	55,170,720 00	340,560	1,655,121 60	Dominion Government.....	Royal Trust Co., Montreal.
2,050,000	9,963,000 00	82,000	398,520 00	Grand Trunk Ry.Co. of Can.	National Trust Co., Ltd., Montreal, P.Q.
.....	9,307,563 16	.....	372,302 52	" " "	.....
655,600	3,186,216 00	26,224	127,448 64	Dominion Government.....	Royal Trust Co., Montreal.
1,081,200	5,254,632 00	43,248	210,185 28	"	" "
.....	6,000,000 00	.....	300,000 00	.....	.....
2,000,000	9,720,000 00	100,000	486,000 00	Grand Trunk Ry.Co. of Can.	Union of London & Smith's Bank, London, England.
7,176,801	34,879,252 86	287,072	1,395,170 12	" " "	.....
12,032,800	9,879,408 00	81,312	395,176 32	Province of Saskatchewan...	Royal Trust Co., Montreal.
500,000	2,430,000 00	20,000	97,200 00	Province of Alberta.....	National Trust Co., Ltd. Montreal, P.Q.
238,600	1,159,596 00	9,544	46,383 84	"	" " "

Sgd. FRANK SCOTT,
Vice-President and Treasurer.

GRAND TRUNK PACIFIC RAILWAY COMPANY, AND GRAND TRUNK PACIFIC BRANCH LINES COMPANY.

INTEREST PAYMENTS.

	Principal Amount.	January.	March.	April.	May.	July.	Sept.	October.	Nov.	Total.	Guaranteed by.
<i>Lake Superior Branch.</i>											
First Mortgage.....	7,533,000 00			150,660 00				150,660 00		301,320 00	G. T. Ry. Co.
<i>Prairie.</i>											
3% First Mortgage Bonds....	12,869,280 00	193,039 20				193,039 20				386,078 40	Dom. Govt.
4% "A" Bonds.....	10,206,000 00			204,120 00				204,120 00		408,240 00	G. T. Ry. Co.
4% Bonds due 1919.....	10,000,000 00			200,000 00				200,000 00		400,000 00	"
4% Debentures.....	5,692,436 84	113,848 74				113,848 74				227,697 48	"
<i>Mountain.</i>											
First Mortgage.....	55,170,720 00	827,560 80				827,560 80				1,655,121 60	Dom. Govt.
"B" Bonds.....	9,963,000 00			199,260 00				199,260 00		398,520 00	G. T. Ry. Co.
4% Debentures.....	9,307,563 16	186,151 26				186,151 26				372,302 52	"
Sterling Bonds.....	3,186,216 00	63,724 32				63,724 32				127,448 64	Dom. Gov't.
Held by G. T. Ry.....	5,254,632 00	105,092 64				105,092 64				210,185 28	"
Loan from Dom. Govt.	6,000,000 00				150,000 00				150,000 00	300,000 00	
Debenture Stock.....	34,879,252 86		697,585 06				697,585 06			1,395,170 12	G. T. Ry. Co.
Secured Notes.....	9,720,000 00		243,000 00				243,000 00			486,000 00	"
<i>G. T. Pac. Branch Lines.</i>											
Saskatchewan.....	9,879,408 00				197,588 16				197,588 16	395,176 32	Prov. of Saskatchewan
Alberta.....	3,589,596 00				71,791 92				71,791 92	143,583 84	Prov. of Alberta.
	\$193,251,104 86	1,489,416 96	940,585 06	754,040 00	419,380 08	1,489,416 96	940,585 06	754,040 00	419,380 08	7,206,844 20	

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<i>Add.</i>	Estimated loss in operation Mountain Division for one year	\$	1,200,000 00
	Exceptional expenditures on Mountain Division for maintenance and providing necessary facilities for operation of line for one year		
	Loss in operation, Branch Lines, one year		720,000 00
	Miscellaneous current expenditure		300,000 00
	50 Refrigerator cars at \$4,000 each		950,000 00
			200,000 00
			<hr/>
		\$	10,576,844 20
		\$	600,000 00
			600,000 00
			<hr/>
			1,200,000 00
			<hr/>
			\$9,376,844 20

Note. The interest payments include interest on \$55,170,720 00 Mountain Division 3% bonds to be assumed by the Dominion Government, viz., \$1,655,121.40 per annum.

MONTREAL, April 29th, 1916.

Sgd., FRANK SCOTT,
Vice-President and Treasurer.

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GRAND TRUNK PACIFIC RAILWAY, GRAND TRUNK PACIFIC BRANCH
LINES, GRAND TRUNK PACIFIC-SASKATCHEWAN RAILWAY.

STATEMENT showing Construction Expenditure and Balance over-expended at
February 29, 1916.

Construction Expenditure—	Expenditure.	Interest.	Total.
Prairie..	\$ 31,506,386 57	\$ 9,533,055 65	\$ 41,039,442 22
Mountain	84,925,051 74	9,905,870 80	94,830,922 54
Lake Superior... . .	9,093,800 62	2,600,750 50	11,694,551 12
North Bay Branch	183,873 72	.....	183,873 72
Equipment...	19,913,106 97	2,562,344 82	22,475,451 79
Express equipment...	56,745 36	.....	56,745 36
	<hr/>	<hr/>	<hr/>
	\$145,678,964 98	\$24,602,021 77	\$170,280,986 75
Grand Trunk Pacific Saskatche- wan Railway..	313,575 19	.....	313,575 19
Grand Trunk Pacific Branch Lines Company..	24,198,712 18	2,336,117 70	26,534,829 88
	<hr/>	<hr/>	<hr/>
	\$170,191,252 35	\$26,938,139 47	\$197,129,391 82
Total proceeds of bonds set out in preceding statement..			\$184,698,507 69
“ expenditures..			197,129,391 82
			<hr/>
Over expenditures..			\$12,430,884 13

W. H. ARDLEY,
Comptroller.

MONTREAL, April 28, 1916.

GRAND TRUNK PACIFIC RAILWAY, GRAND TRUNK PACIFIC BRANCH
LINES, GRAND TRUNK PACIFIC-SASKATCHEWAN RAILWAY.

CONDENSED STATEMENT OF ASSETS AND LIABILITIES AT FEBRUARY 29, 1916.

Excess of Capital Expenditure over net proceeds of securities sold, per statement preceding.. . .	\$12,430,884 13	
Deferred Debits and Credits to be closed into Capital Account as per Statement No. 1 follow- ing.. . . . .Cr.	813,797 77	
	<hr/>	\$11,617,086 36
Sundry Assets, Grand Trunk Pacific Railway, Statement No. 2 following...	7,866,295 93	
Sundry Assets, Branch Lines Statement No. 3 following..	1,257,579 08	
Sundry Assets, Saskatchewan Railway Statement No. 4 following..	2,170 97	
Sundry Liabilities, Grand Trunk Pacific, Statement No. 2 following.. . . . .	.....	\$ 4,522,037 75
Sundry Liabilities, Branch Lines, Statement No. 3 following.. . . . .	.....	1,734,027 06
Sundry Liabilities, Saskatchewan Railway, State- ment No. 4 following.. . . . .	.....	101,246 16
Due to Grand Trunk Railway.. . . . .	.....	14,385,821 37
	<hr/>	<hr/>
	\$20,743,132 34	\$20,743,132 34
Grand Trunk Railway Advances—		
Grand Trunk Pacific Railway..		\$ 801,783 54
Branch Lines..		13,369,537 83
Saskatchewan Railway..		214,500 00
		<hr/>
		\$14,385,821 37

W. H. ARDLEY,
Comptroller.

May 1, 1916.

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STATEMENT No. 1.

GRAND TRUNK PACIFIC RAILWAY.

February 29th, 1916.

Deferred Debits and Credits.	Debits.	Credits.
Interest account... ..	\$329,151 84	
Deposits in court... ..	3,100 00	
Freight suspense account... ..	1,865 63	
Montreal office... ..		\$ 5,599 20
Medical account... ..		164,462 82
Cars destroyed on Grand Trunk Railway... ..		63,633 02
Sales Lake Superior Subsidy Lands... ..		2,118 77
Union Stock Yards Dividends... ..		15,424 11
National Transcontinental Railway, Section F... ..		596,677 32
Rental Lake Superior Branch... ..		300,000 00
	<u>\$334,117 47</u>	<u>\$1,147,915 34</u>

Net credit, \$813,797.77.

W. H. ARDLEY,
Comptroller.

May 1, 1916.

STATEMENT No. 2.

GRAND TRUNK PACIFIC RAILWAY.

February 29th, 1916.

Details of Assets and Liabilities.	Sundry Assets.	Sundry Liabilities.
Cash... ..	\$ 1,048,206 21	
Section "F" Accounts, to be charged to N.T.R. Commissioners... ..	10,923 66	
Winnipeg Joint Terminals Working Account... ..	2,500 00	
Grand Trunk Pacific Telegraph Company... ..	3,319 15	
Local Audit Office, Winnipeg... ..	472,657 18	
Fuel stocks... ..	251,675 65	
Material stocks... ..	819,163 85	
Advances to engineers... ..	201,841 50	
Advances N.T.R. contracts... ..	873,224 17	
Accounts collectible... ..	1,561,631 12	
Canadian Northern Pacific double track... ..	16,086 30	
Winnipeg lots... ..	31,099 14	
Union Stock Yards $\frac{1}{3}$ capital stock... ..	265,060 00	
Pacific & Northern Omineca Railway... ..	243,604 73	
Grand Trunk Pacific branch lines... ..	906,285 48	
Grand Trunk Pacific Saskatchewan Railway... ..	73,243 18	
Grand Trunk Pacific Development Company... ..	813,407 83	
Dock Agent, Prince Rupert... ..	49 23	
Dominion Government... ..		28,225 14
Sundry shareholders... ..		203,800 00
Interest accrued unpaid... ..		92,280 48
London income tax unpaid... ..		17,577 49
Accounts payable... ..		3,264,063 61
Unclaimed wages... ..		49,145 34
Apprentice Guarantee Fund... ..		1,217 03
Unpaid wages... ..		559,698 16
Canadian Government Railway... ..	29,044 22	
London office... ..	243,333 33	
Machinery, tools and appliances... ..		63,534 69
Military shells suspense account... ..		27,855 88
G. T. P. terminal elevator suspense account... ..		1,296 12
Per diem, etc... ..		213,323 81
	<u>\$ 7,866,295 93</u>	<u>\$ 4,522,037 75</u>

W. H. ARDLEY,
Comptroller.

May 1, 1916.

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AVANCES BY GRAND TRUNK RAILWAY COMPANY AT FEBRUARY 29, 1916

Grand Trunk Pacific Railway Company.. . . .	\$ 801,783 54
Grand Trunk Pacific Branch Lines Company.. . . .	13,369,537 83
Grand Trunk Pacific Saskatchewan Railway Company.. . .	214,500 00
Grand Trunk Pacific Development Company, Limited.. . .	11,793,907 46
	<u>\$26,179,728 83</u>

The Grand Trunk Railway Company of Canada hold Notes of the above Companies covering the advances, as follows:—

Grand Trunk Pacific Branch Lines Company.. . . .	\$13,045,556 38
Grand Trunk Pacific Saskatchewan Railway Company.. . .	214,500 00
Grand Trunk Pacific Development Co. ,Limited.. . . .	11,073,960 17
	<u>\$24,334,016 55</u>

The Grand Trunk Railway Company are entitled to Branch Lines Company Bonds guaranteed by the Provinces of Saskatchewan and Alberta, to the extent of \$3,868,100, representing expenditures made on Branch Lines and Terminals, when amount has been finally agreed upon.

(Sgd.) FRANK SCOTT,
Vice President and Treasurer.

MONTREAL, 29th April, 1916.

The following are from the records of the Department of Finance:—

MEMO. RE GRAND TRUNK PACIFIC GUARANTEE ACT, 1914, AND PROCEEDS OF SECURITIES ISSUED THEREUNDER.

Authorized issue by terms of mortgage: £3,280,000 or \$15,962,666.66.

		Proceeds of Sale and Pledges.
Pledged with Dominion Government against advance of Dominion Notes between September and December, 1914.. . . .	£1,543,200	\$ 6,000,000 00
Sold to Messrs. Foley, Welch & Stewart at various times, November, 1914, to August, 1915, at 92½.. . .	656,600	2,951,292 64
Pledged to Grand Trunk Railway, December, 1915, as security for loan made through Blair & Com- pany, New York.. . . .	1,081,200	3,780,000 00
	<u>£3,280,000</u>	<u>Total proceeds. \$12,731,292 64</u>

Issue estimated to produce on the basis of prices before the War 91½%;
Actually produced 79.6% which makes a difference between estimated proceeds
and actual proceeds of \$1,874,734.

GRAND TRUNK PACIFIC GUARANTEE ACT, 1914.

Purposes to which proceeds of guaranteed securities may be applied:
Section 5, Chapter 34, Acts of 1914.

The kind of securities to be guaranteed hereunder and the forms thereof
.....and the disposition of the moneys to be raised thereon
.....shall be such as the Governor in Council approves pro-
vided that no part of said moneys shall be used other than for expenditure
approved by or under the authority of the Governor in Council for three-
fourths of the cost of construction work as defined in the said Trust Deed of
tenth June, 1905, in respect of the Mountain Section, inclusive of all interest
until completion of the Mountain Section on bonds heretofore or hereafter
issued in respect of same under the Deeds of Trust by way of mortgage dated
tenth June, 1905, and fifteenth March, 1905, set forth in Schedules A and B

to chapter 98 of the Statutes of Canada, 1905, and interest upon advances made in respect of the Mountain Section under The Grand Trunk Pacific Loan Act, 1913, and for interest upon the guaranteed securities until the expiration of three years from the date of completion of the Western Division as hereinafter fixed.

GRAND TRUNK PACIFIC RAILWAY GUARANTEE ACT, 1914.
PAYMENT OUT OF PROCEEDS.

Order in Council, Number and Date.	Amount payable under O. C.	Date of Payment.	Amount of Payment.
	\$ cts.		\$ cts.
P. C. 2376, Sept. 12, 1914.....	2,000,000 00	Sept. 12, 1914..	2,000,000 00
P. C. 2864, Nov. 12, 1914.....	6,177,850 45	Oct. 5, 1914..	2,000,000 00
P. C. 3222, Dec. 29, 1914.....	1,085,093 04	Nov. 14, 1914..	1,000,000 00
P. C. 3255, Jan. 5, 1915.....	270,370 31	Nov. 20, 1914..	2,205,112 91
P. C. 243, Feb. 2, 1915.....	28,564 59	Dec. 9, 1914..	972,737 54
P. C. 244, Feb. 2, 1915.....	241,354 55	Jan. 26, 1915..	538,803 35
P. C. 1107, May 14, 1915.....	138,680 54	Feb. 20, 1915..	128,428 50
P. C. 1143, May 21, 1915.....	172,213 54	Mar. 10, 1915..	27,262 46
P. C. 1144, May 21, 1915.....	438,948 50	Aug. 13, 1915..	114,315 57
P. C. 1145, May 21, 1915.....	152,622 58	Jan. 3, 1916..	2,581,764 50
P. C. 1457, June 24, 1915.....	140,944 51	Feb. 3, 1916..	402,494 62
P. C. 1868, Aug. 12, 1915.....	1,454,847 71	Feb. 7, 1916..	750,000 00
P. C. 2231, Sept. 25, 1915.....	303,080 62	Feb. 12, 1916..	47,856 40
P. C. 208, Feb. 4, 1916.....	224,348 23	Total Payments	12,768,775 85
P. C. 209, Feb. 4, 1916.....	402,494 62		
P. C. 210, Feb. 4, 1916.....	55,628 53		
P. C. 211, Feb. 4, 1916.....	1,226,729 73		
P. C. 406, Feb. 25, 1916.....	136,550 16		
	14,650,322 21		
Total proceeds of issue as per statement.....			12,731,292 64
Accrued interest.....			37,483 21
			12,768,775 85

P. C. 2376.

CERTIFIED copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General, on the 12th September, 1914.

The Committee of the Privy Council have had before them a report, dated 12th September, 1914, from the Minister of Railways and Canals, representing that by the Act of 1914, Chap. 34, the guarantee by the Government of a further issue of bonds of the Grand Trunk Pacific Railway Company to an amount not exceeding \$16,000,000 was authorized as aid for the completion of the mountain section of their railway. such bonds to be secured by a mortgage deed of trust, it being provided by section 5 of the Act that no part of the moneys to be raised on the guaranteed securities shall be used other than for expenditure "approved by or under the authority of the Governor in Council for three-quarters of the cost of construction work," with certain interest.

That under date the 5th August, 1914, a mortgage deed of trust was accordingly executed between the Grand Trunk Pacific Railway Company, the Royal Trust Company, and His Majesty, represented by the Honourable the Minister of Finance, in respect of the issue, secured by the mortgage, of 4 per cent bonds to an extent not, at any time, exceeding the sum of £3,280,000 sterling.

That, under date the 5th September, 1914, an Order in Council has been passed authorizing an advance to the company of \$2,000,000, so that the construction of the

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mountain section should proceed without interruption, such advance to be secured by the pledge of the guaranteed bonds above referred to, to such amount as will afford a margin of twenty points on the par value, the money to be paid out only on the terms and conditions prescribed in the mortgage deed of trust, of the 5th of August, 1914.

That by Section 5, Article 3 of the said Trust Deed, it was provided that payments should be made "on the approval and under the authority of the Governor-in-Council" of such sums as the chief engineer appointed by the Government, or such other officer as the Government may appoint for that purpose, may certify to have been earned.

That at the present time, certificates of the chief engineer have been issued of work done on the mountain section, but not paid, or only paid in part, as follows:—

Certificate No. 102, dated May 1, 1914.. . . .	\$1,661,768 57
Of this there was paid \$543,801.03, which completed the payment of the proceeds of £14,000,000 sterling of the 4 per cent guaranteed by the Government, the balance under the certificate left unpaid, being.. . . .	\$1,117,967 54
Certificate No. 103, dated May 29, 1914.. . . .	1,184,875 95
" No. 104, dated June 12, 1914.. . . .	1,299,927 86
" No. 105, dated July 14, 1914.. . . .	1,668,506 60
Total left unpaid.. . . .	\$5,271,277 95

The Minister recommends that approval be given by Your Royal Highness-in-Council to the payment to the company of the said two million dollars representing a part of the said unpaid balance of the chief engineer's certificates.

The committee concur in the foregoing recommendation and submit the same for approval.

(Sgd.) RODOLPHE BOUDREAU,

Clerk of the Privy Council.

The Honourable,

The Minister of Finance.

P. C. 2451.

CERTIFIED copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 26th September, 1914.

The Committee of the Privy Council have had before them a Memorandum, dated 25th September, 1914, from the Minister of Finance, directing the attention of Your Royal Highness to a report of the Committee of the Privy Council, approved on 5th September, 1914, referring to "The Grand Trunk Pacific Guarantee Act, 1914" and concurring in the recommendation of the Minister of Finance that an advance of two million dollars be made to the Grand Trunk Pacific Railway Company upon the terms and conditions set forth.

The Minister observes that the financial conditions referred to in the report still continue and that in consequence the Railway Company is unable to sell or procure advances upon the guaranteed bonds mentioned in the said report.

The Minister recommends, in view of the foregoing and in order that the Railway Company may be enabled to continue its construction work, that a further advance of two million dollars be made to the Grand Trunk Pacific Railway Company to bear interest at the rate of five per cent per annum and be repayable with interest on or before May 1st, 1915. Such advance to be secured by the pledge of bonds of the Grand Trunk Pacific Railway Company authorized to be guaranteed as to principal and interest by the Act known as "The Grand Trunk Pacific Guarantee Act,

1914" to such amount as will afford a margin of twenty points upon the par value. A pledge agreement in form satisfactory to the Minister of Finance to be executed by the Railway Company.

The Minister further recommends that the said advance be placed to the credit of the Minister of Finance and Receiver General of Canada to be paid out only on the terms and conditions prescribed in the mortgage deed of trust of 5th August, 1914, securing the said bonds.

The Minister further recommends that the proposed advance be made by an issue of Dominion notes against the pledge of the guaranteed securities required under the foregoing provisions to be lodged as security for the advance. While this proposal is a technical departure from the terms of the Dominion Notes Act such departure is, in the opinion of the Minister of Finance, justified by the exceptional circumstances more particularly as set forth in the report of the Committee of the Privy Council hereinbefore referred to.

The Minister also recommends that any necessary legislation confirming the proceedings herein recommended be obtained at the next ensuing session of Parliament.

The Committee concur in the foregoing and submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P.C. 2864.

CERTIFIED copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 12th November, 1914.

The Committee of the Privy Council have had before them a memorandum, dated 11th November, 1914, from the Minister of Railways, submitting, with reference to the provisions of Section 5 of Article 3 of the mortgage deed of trust dated the 5th day of August, 1914, entered into in pursuance of the Grand Trunk Pacific Guarantee Act, 1914, between the Grand Trunk Pacific Railway Company, the Royal Trust Company as trustee and the King as guarantor,—that Section 5 provides that on the approval and under the authority of the Governor in Council the Government, represented therein by the Minister of Finance, shall pay out of the proceeds of the bonds secured by the said deed of trust to the Company or its nominees such sums as the Chief Engineer appointed by the Government may certify have been earned, having regard to the cost of construction work on the Mountain Section of the Company's railway.

The Minister states that up to the present time certificates of the Chief Engineer appointed by the Government have been issued for work done on the Mountain Section but not paid or paid only in part as follows:—

Certificate No. 102, dated May 1, 1914—Balance payable thereon after deducting therefrom payments made out of proceeds of the company's 3 per cent bonds issued under Chapter 98 of the Acts of 1905...	\$1,117,967 54
Certificate No. 103, dated May 29, 1914...	1,184,875 95
" No. 104, dated June 12, 1914...	1,299,927 86
" No. 105, dated July 14, 1914...	1,668,506 60
" No. 106, dated September 18, 1914...	462,856 15
" No. 107, dated September 30, 1914...	1,698,028 95
" No. 108, dated November 6, 1914...	745,687 40
Total...	\$8,177,850 45
Less payments made to the Company on account—	
Under Order in Council, September 12, 1914,	
No. 2376...	\$2,000,000
Under Order in Council, September 26, 1914,	
No. 2451...	2,000,000
	4,000,000 00
Balance certificates unpaid at the present date...	\$4,177,850 45

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The Minister, therefore, recommends that approval be given of the payment to the Company of the said balance of \$1,177,850.15, provided, however, as in said Section 5 set out, the Government shall not be liable to pay any sum of said proceeds and then only in so far as the amount thereof shall avail.

The Committee concur in the foregoing and submit the same for approval.

The Honourable

The Minister of Finance.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P. C. 3222.

CERTIFIED copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 29th December 1914.

The Committee of the Privy Council have had before them a report, dated 26th December, 1914, from the Minister of Railways and Canals, stating that he has had under consideration a certificate from the Chief Engineer appointed by the Government of the Western Division of the National Transcontinental Railway representing that the bond interest due and payable on the 1st January, 1915, on the Mountain Section of the Grand Trunk Pacific Railway, as per audit of the Auditor of the Department of Railways and Canals, is one million, eighty-five thousand, ninety-three dollars and four cents (\$1,085,093.04). In this connection the Ministers directs attention to Section 5 of the Grand Trunk Pacific Guarantee Act, 1914. That Section provides that the moneys raised by the sale or pledge of the securities guaranteed by the Government of Canada under that Act may be used, when the expenditure thereof has been approved by the Governor in Council, in payment, among other things, of the interest until completion of the Mountain Section on bonds heretofore or hereafter issued in respect of the same, together with interest upon certain advances made in respect of the Mountain Section named in the statute. The date for completion of the Western Division is, by that statute, fixed for the thirty-first day of December, 1915.

The Minister, therefore, in pursuance of the said Section 5 and of the provisions of the deed of trust of date the fifth day of August, 1914, executed in pursuance of the said Act, recommends that approval be given of the payment to the Company of the said sum of one million, eighty-five thousand, ninety-three dollars and four cents (\$1,085,093.04); provided, however, as in Section 5 of Article 3 of the said deed of trust is set out, the Government shall not be liable to pay any sum in respect of the said interest except out of the proceeds of securities issued under the deed of trust referred to, and then only in so far as the amount of such proceeds shall avail.

The Committee concur in the foregoing and submit the same for approval.

The Honourable

The MINISTER OF FINANCE.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P.C. 3255.

CERTIFIED COPY of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 5th January, 1915.

The Committee of the Privy Council have had before them a report, dated 31st December, 1914, from the Minister of Railways and Canals, representing that, under date the 28th December, 1914, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 109.

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showing the approved expenditure on the Mountain section of the Grand Trunk Pacific Railway up to the 30th September, 1914, the total of such expenditure being \$85,555,974.04, and the expenditure for that month being \$360,493.74, of which 75 per cent, namely, \$270,370.31, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, Section 5, and the Mortgage Deed of Trust, dated the 5th August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on such certificate.

The Minister recommends that authority be given for payment to the Company of the said sum of \$270,370.31, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

The Honourable

The Minister of Railways and Canals.

P.C. 244.

CERTIFIED COPY of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 2nd February, 1915.

The Committee of the Privy Council have had before them a report from the Minister of Railways and Canals, dated 30th January, 1915, representing that under date the 25th of January, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 110, showing the approved expenditure on the Mountain section of the Grand Trunk Pacific Railway up to the 31st of October, 1914, the total of such expenditure being \$85,877,780.11, and the expenditure for that month being \$321,806.07, of which 75 per cent, namely, \$241,354.55, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated 5th August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on such certificates.

The Minister recommends that authority be given for payment to the company of the said sum of \$241,354.55, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the above recommendation and submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

The Honourable

The Minister of Finance,

P. C. 243.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 2nd February, 1915.

The Committee of the Privy Council have had before them a memorandum, dated 30th January, 1915, from the Minister of Railways and Canals, representing that, under date the 26th of January, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 111, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 30th of November, 1914, the total of such expenditure being \$85,-

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915,866.22, and the expenditure for that month being \$38,086.44, of which 75 per cent, namely, \$28,564.59, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor-in-Council for payment on such certificate.

The Minister recommends that authority be given for payment to the Company of the said sum of \$28,564.59, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing and submit the same for approval.

RODOLPHE BOUNDREAU,

Clerk of the Privy Council.

THE HONOURABLE

THE MINISTER OF FINANCE.

P. C. 1107.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 14th May, 1915.

The Committee of the Privy Council have had before them a memorandum, dated 12th May, 1915, from the Minister of Railways and Canals representing that, under date the 11th May, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 112, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 31st of December, 1914, the total of such expenditure being \$86,100,773.60, and the expenditure for the month being, \$184,907.38, of which 75 per cent, namely, \$138,680.54, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for the payment on such certificates.

The Minister recommends that authority be given for payment to the Company of the said sum of \$138,680.54, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee submit the said for approval.

RODOLPHE BOUNDREAU,

Clerk of the Privy Council.

THE HONOURABLE

THE MINISTER OF FINANCE.

P. C. 1143.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 21st May, 1915.

The Committee of the Privy Council have had before them a memorandum, dated 17th May, 1915, from the Minister of Railways and Canals, representing that, under date the 12th of May, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 113, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 31st of January, 1915, the total of such expenditure being \$86,330,391.65, and the expenditure for that month being \$229,618.05, of which 75 per cent, namely, \$172,213.54, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which required the approval and authority of the Governor in Council for payment on such certificate.

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The Minister recommends that authority be given for payment to the Company of the said sum of \$172,213.54, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing and submit the same for approval.

F. K. BENNETTS,

Asst. Clerk of the Privy Council.

The Honourable

The Minister of Finance.

P. C. 1144.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 21st May, 1915.

The Committee of the Privy Council have had before them a memorandum, dated 17th May, 1915, from the Minister of Railways and Canals, representing that, under date the 12th of May, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 114, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 28th of February, 1915, the total of such expenditure being \$86,915,656.32 and the expenditure for that month being \$585,264.67, of which 75 per cent, namely, \$438,948.50, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, Dated the 5th of August, 1914, executed in pursuance of the said Act; which requires the approval and authority of the Governor in Council for payment on such certificate.

The Minister recommends that authority be given for payment to the Company of the said sum of \$438,948.50, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing and submit the same for approval.

F. K. BENNETTS,

Asst. Clerk of the Privy Council

The Honourable

The Minister of Finance.

P.C. 1145.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor on the 31st May, 1915.

The Committee of the Privy Council have had before them a memorandum, dated 17th May, 1915, from the Minister of Railways and Canals, representing that, under date the 13th of May, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 115, showing the approved expenditure of the Mountain Section of the Grand Trunk Pacific Railway up to the 31st of March, 1915, the total of such expenditure being \$87,119,153.09 and the expenditure for that month being \$203,496.77, of which 75 per cent, namely, \$152,622.58, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on such certificates.

The Minister recommends that authority be given for payment to the Company of the said sum of \$152,622.58 accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

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P.C. 1457.

CERTIFIED *Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 24th June, 1915.*

The Committee of the Privy Council have had before them a report, dated 21st June, 1915, from the Minister of Railways and Canals, representing that under date the 9th June, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 116, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 30th April, 1915, the total of such expenditure being \$87,307,079.10 and the expenditure for that month being \$187,926.01, of which 75 per cent, namely \$140,944.51, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, chapter 34, and the Mortgage Deed of Trust, dated the 5th August, 1914, executed in pursuance of the said Act, which require the approval and authority of the Governor in Council for payment on such certificate.

The Minister recommends that authority be given for payment to the Company of the said sum of \$140,944.51 accordingly, in so far as the proceed of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P.C. 1868.

CERTIFIED *Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 12th August 1915.*

The Committee of the Privy Council have had before them a Report, dated 6th August, 1915, from the Minister of Railways and Canals, representing that, under date the 22nd July, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued—under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment—his certificate, No. 117, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 31st of May, 1915.

The Minister states that this certificate shows the total of such expenditure to be \$87,865,347.88; the expenditure for that month being \$558,268.78 of which 75 per cent, namely, \$418,701.60 is payable by the Dominion Government from the proceeds of bonds. This total includes \$6,004,817.88 interest on bonds *prior* to the said Act.

That in addition, the certificate also covers a further sum of \$2,121,239.15, the total interest under the said Act up to 1st July, 1915, of which sum, by an Order in Council of 29th December, 1914, authority has been given for payment of \$1,085,093.04 leaving the balance of such interest now payable, \$1,036,146.11.

That the total approved expenditure is, accordingly, shown to be \$87,865,347.88 plus the further interest of \$2,121,239.15 making the total \$89,986,587.03 and the total amount now payable \$418,701.60 plus \$1,036,146.11 or a total of \$1,454,847.71.

The Minister recommends that authority be given for payment to the Company of the said sum of \$1,454,847.71 accordingly, in so far as the proceeds of the said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P. C. 2231.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 25th September, 1915.

The Committee of the Privy Council have had before them a report, dated 21st September, 1915, from the Acting Minister of Railways and Canals, representing that under date the 20th of September, 1915, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 119, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 31st July, 1915, the total of such expenditure being \$90,857,899.72, and the expenditure for that month \$404,107.49, of which 75 per cent, namely, \$303,080.62, is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on such certificate.

The Minister recommends that authority be given for payment to the Company of the said sum of \$303,080.62, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing and submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

The Honourable

The Minister of Finance.

P. C. 208.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 4th February, 1916.

The Committee of the Privy Council have had before them, a report, dated 31st January, 1916, from the Acting Minister of Railways and Canals, representing that, under date the 24th of January, 1916, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 120, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 31st of August, 1915, the total of such expenditure being \$224,348.23 is payable by the Dominion Government from the proceeds of bonds, \$224,348.23 is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on such certificate.

The Minister recommends that authority be given for payment to the Company of the said sum of \$224,348.23 accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

The Honourable

The Minister of Finance.

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P. C. 209.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 2nd February, 1916.

The Committee of the Privy Council have had before them a report, dated 31st January, 1916, from the Acting Minister of Railways and Canals, representing that, under date the 24th of January, 1916, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 121, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 30th of September, 1915, the total of such expenditure being \$91,627,270.19, the expenditure for the month of September being \$470,239.49, of which amount there is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on the Chief Engineer's certificate, the sum of \$402,494.62.

The Minister recommends that authority be given for payment to the Company of the said sum of \$402,494.62, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of Privy Council.

The Honourable

The Minister of Finance.

P. C. 210.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 4th February, 1916.

The Committee of the Privy Council have had before them a report, dated 31st January, 1916, from the Acting Minister of Railways and Canals, representing that, under date the 25th of January, 1916, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 122, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 31st of October, 1915, the total of such expenditure being \$91,701,441.56, and the expenditure for that month \$74,171.37, of which the sum of \$55,628.53 is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for the payment on such certificate.

The Minister recommends that authority be given for payment to the Company of the said sum of \$55,628.53, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of Privy Council.

The Honourable

The Minister of Finance.

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P.C. 211.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 4th February, 1916.

The Committee of the Privy Council have had before them a report, dated 31st January, 1916, from the Acting Minister of Railways and Canals, representing that, under date the 26th of January, 1916, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate, No. 123, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 30th of November, 1915, the total of such expenditure being \$92,978,128.88, the expenditure for the month of November being \$1,276,687.32, of which amount there is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August, 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on the Chief Engineer's certificate, the sum of \$1,226,729.73.

The Minister recommends that authority be given for payment to the Company of the said sum of \$1,226,729.73 accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

The Honourable
The Minister of Finance.

P.C. 406.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 25th February 1916.

The Committee of the Privy Council have had before them a report, dated 24th February, 1916, from the Acting Minister of Railways and Canals, representing that, under date the 22nd February, 1916, the Government Chief Engineer of the Western Division of the National Transcontinental Railway has issued his certificate No. 124, showing the approved expenditure on the Mountain Section of the Grand Trunk Pacific Railway up to the 31st of December, 1915, the total of such expenditure being \$93,160,195.76, the expenditure for the month of December being \$182,066.88, of which the sum of \$136,550.16 is payable by the Dominion Government from the proceeds of bonds, under the Grand Trunk Pacific Guarantee Act of 1914, Chapter 34, and the Mortgage Deed of Trust, dated the 5th of August 1914, executed in pursuance of the said Act, which requires the approval and authority of the Governor in Council for payment on the Chief Engineer's certificate.

The Minister recommends that authority be given for payment to the Company of the sum of \$136,550.16, accordingly, in so far as the proceeds of said bonds at the credit of the Minister of Finance and Receiver General avail for such payment.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

The Honourable,
The Minister of Railways and Canals.